

Minimum Capability Requirement for Individual Resources Participating in an Aggregation

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Agenda

- **Background & Overview**
- **Minimum Capability Requirement**
- **Next Steps**

Background & Overview

- Neither the NYISO's 2019 DER and Aggregation participation model (which FERC accepted in January 2020) nor its Order No. 2222 compliance filing proposed a minimum capability for each individual DER that participates in an Aggregation.
- NYISO's DER definition:
 - “Distributed Energy Resource may be one of the following categories of facilities electrically located in the New York Control Area (“NYCA”): (i) a facility comprising two or more different technology types located behind a single point of interconnection with a maximum Injection Limit of 20 MW, (ii) a Demand Side Resource, or (iii) a Generator with a maximum Injection Limit of 20 MW. An Aggregation may also be comprised of a single Demand Side Resource.”

Background & Overview

- **The NYISO is currently developing software and procedures to implement its FERC-accepted 2019 DER and Aggregation market design.**
- **The NYISO has identified certain modifications to the 2019 market design based on resource and technical capabilities in anticipation of DER implementation.**
- **The NYISO has identified setting a minimum capability requirement for individual DER to be necessary to support the reliable and manageable integration of DER in the NYCA.**

NYISO DER Minimum Capability Requirement

NYISO Investigation of Minimum DER Capability

- **Given the NYISO's current technical resources and capabilities for initial DER deployment, allowing small (<10 kW) DER will require a substantial amount of additional manual work in order to complete tasks that are core to the timely participation of DER, including but not limited to:**
 - Review of DER enrollment physical characteristics for accuracy,
 - verification of operational proposals of DER, and
 - coordination with distribution utilities to review DER for safety and reliability
- **The NYISO expects that it will be responsible for auditing the Aggregators' stated capabilities based on the requirements of FERC Order 2222, and therefore believes it will be important to establish a reasonable limit on the individual capability of the DER.**
- **For example, the NYISO staff expect more hours/effort spent to review an Aggregation comprised of 100, 1 kW DER than an Aggregation comprised of 10, 10 kW DER – these Aggregations ultimately deliver an identical 0.1 MW service to the grid.**

NYISO Minimum DER Capability

- **The NYISO proposes to establish a 10-kW minimum capability requirement for individual DER participating in an Aggregation.**
- **For the aforementioned reasons, the NYISO believes this minimum capability will better align initial DER market deployment with the monitoring and verification capabilities of the NYISO.**
- **The NYISO will, following initial deployment of DER, explore lowering this minimum capability to accommodate smaller DER once it gains experience managing Aggregations of DER.**

Next Steps

Next Steps

- **The NYISO is developing certain modifications to the tariff language included in the 2019 DER and Aggregation filing that will be presented to Stakeholders in the coming months**
 - Changes will be a “clean-up” of issues identified after submitting the 2019 filing while developing software, processes, and the ISO Procedures
 - NYISO intends to file the “clean-up” filing with FERC around the end of 2022.
- **Please send any questions that were not addressed during this presentation to: DER_Feedback@nyiso.com**

Our Mission & Vision



Mission

Ensure power system reliability and competitive markets for New York in a clean energy future



Vision

Working together with stakeholders to build the cleanest, most reliable electric system in the nation

Questions?